

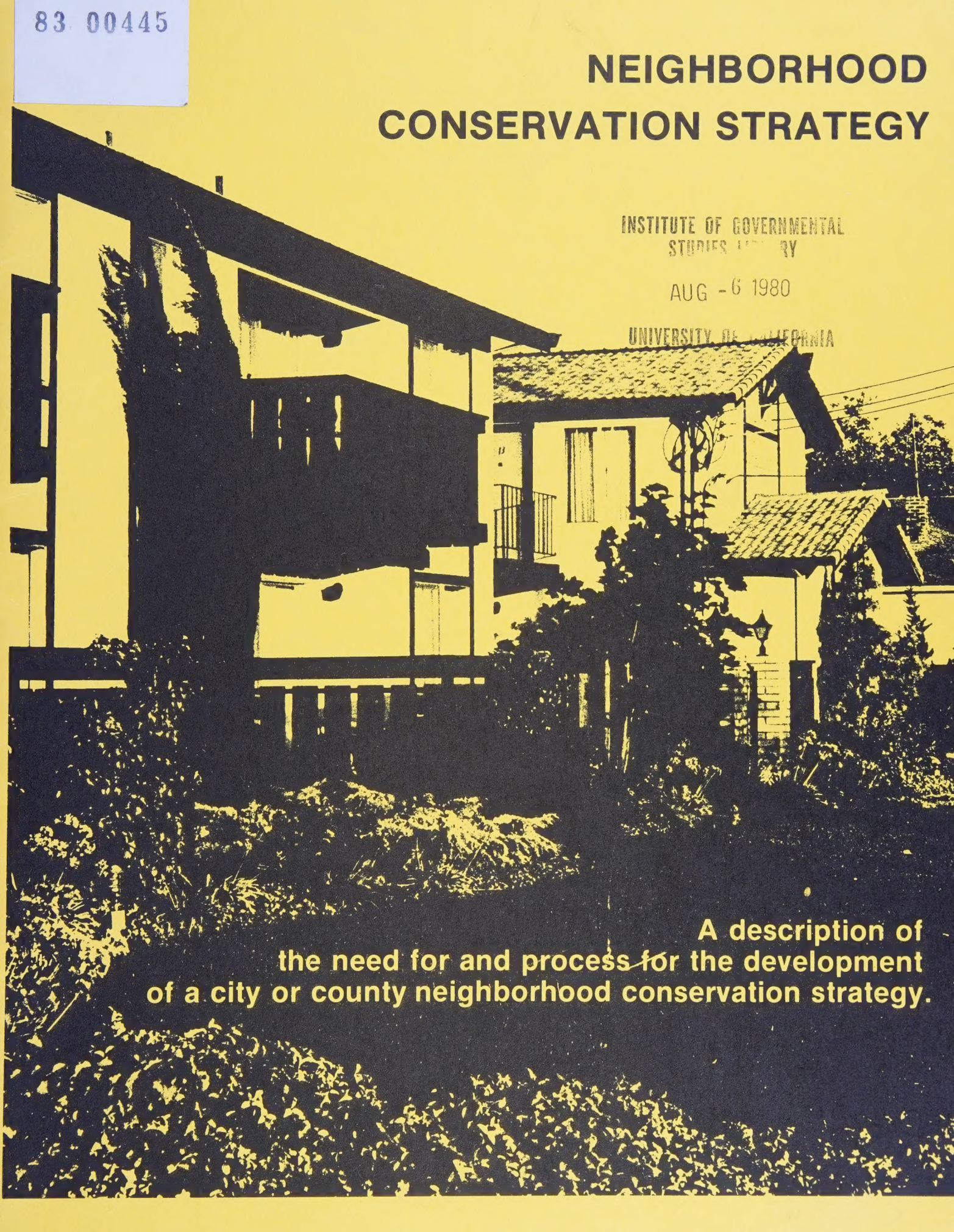
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# NEIGHBORHOOD CONSERVATION STRATEGY

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A description of  
the need for and process for the development  
of a city or county neighborhood conservation strategy.



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## NEIGHBORHOOD CONSERVATION STRATEGY

This is the third of three reports prepared by Santa Clara County as a part of its continuing housing and neighborhood conservation program.

Reports prepared in this series:

- o NEIGHBORHOOD CONSERVATION RESOURCES HANDBOOK
- o NEIGHBORHOOD CLASSIFICATION SYSTEM
- o NEIGHBORHOOD CONSERVATION STRATEGY

July, 1978

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# NEIGHBORHOOD CONSERVATION STRATEGY

## EXECUTIVE SUMMARY

The Santa Clara County Planning Department undertook a neighborhood conservation study from July, 1977 to July, 1978. Funded by a 701 Comprehensive Planning Grant through the California Office of Planning and Research, the study resulted in three reports: **Neighborhood Conservation Resources Handbook**, **Neighborhood Classification System** and **Neighborhood Conservation Strategy**.

At the completion of the neighborhood conservation study, the following observations were made regarding neighborhood conservation in Santa Clara County:

1. The neighborhood and housing deterioration problem is an emerging and growing problem. Without preventive actions taken by local governments in the immediate future, serious problems could develop during the next decade.
2. The most cost-effective and potentially successful method to deal with neighborhood deterioration is to institute conservation actions at an early date before significant deterioration is evident. Cities such as Detroit, Cleveland, and St. Louis, which have large areas of housing deterioration and abandonment, failed to implement policies and programs designed to mitigate the forces causing housing deterioration and are now paying for costly, and often ineffective, remedial programs.
3. The cities and the County have not taken advantage of the many financial and nonfinancial resources currently available to address neighborhood instability and decline. Local governments, for the most part, have no comprehensive set of policies and programs which are specifically designed to have a significant positive impact on neighborhood preservation and stability.
4. The passage of Proposition 13 and the generally tightened budgets because of reduced tax resources may have negative short and long-range impacts on neighborhoods. Cutbacks in the public maintenance of streets and parks, and the reduction of public services will contribute to the future decline of neighborhoods.

Recognizing the neighborhood conservation need within the County and also the responsibility of the cities and the County to institute measures to deal with this need, the following conclusions and recommendations are made:

## CONCLUSION

1. Each city within the County should develop a formal, comprehensive neighborhood level conservation strategy which addresses the current and anticipated needs of the community. A conservation strategy would consist of a set of policies for each neighborhood which reinforces the official city plan for the direction of the neighborhood and a set of specific actions designed to accomplish the policies.



2. Each city and the County should work together in the development of the conservation strategies and in the implementation of conservation actions by discussing mutual problems, sharing data, utilizing similar strategy formats, and setting up and implementing conservation resources jointly where appropriate.

### **Specific Recommendation**

1. The County Board of Supervisors designate neighborhood conservation as a priority concern in Santa Clara County, authorize the distribution of **Neighborhood Conservation Resources Handbook, Neighborhood Classification System, and Neighborhood Conservation Strategy** to the cities and the public for their review, and solicit comments from the cities regarding the following:
  - A. The city's interest and commitment to develop a local comprehensive conservation strategy for the neighborhoods within the city and to incorporate the strategy as a part of the city's revised **Housing Element of the General Plan**.
  - B. The city's interest and ability to institute the neighborhood monitoring and classification process described in **Neighborhood Classification System** so that the city is aware of physical, social and economic changes in the neighborhoods as they occur and can quickly institute measures to address those changes.
  - C. The city's interest in establishing appropriate countywide conservation resources, as identified in **Neighborhood Conservation Resources Handbook**, to supplement its own local conservation programs.

### **Relationship of Neighborhood Conservation Strategy to the Entire Neighborhood Conservation Study**

It is the purpose of this neighborhood conservation study to provide the impetus and the framework for the development and implementation of neighborhood conservation actions within Santa Clara County. In order to meet current conservation needs and to prevent major problems in the future, it is critical that good conservation decisions which will have significant positive impacts on the community be made and scarce financial resources used efficiently in dealing with the current and future problems.

The three reports which have been prepared during this study will assist public officials in these critical decisions. The information in the reports will help facilitate the establishment of individual city conservation strategies, the ongoing monitoring of changes within neighborhoods, and the establishment of appropriate conservation programs and actions.



**Neighborhood Conservation Strategy** was written to assist decision makers in their neighborhood conservation decisions. The report establishes the framework for the development of a comprehensive conservation strategy for each city within the County. It describes the process and necessary components of a strategy, describes the overall conservation needs in Santa Clara County, and lists the actions the cities and the County have currently instituted to deal with the growing problem. The report contains a NEIGHBORHOOD CONSERVATION RESOURCE MATRIX which links the various programs and mechanisms identified in **Neighborhood Conservation Resources Handbook** with different types of neighborhoods described in **Neighborhood Classification System**.

**Neighborhood Conservation Resources Handbook** describes current federal, state, and local governmental resources and major private resources and programs which can be used in neighborhood conservation. The resources are described in detail and a step-by-step explanation of how to set up each resource is included in the text.

**Neighborhood Classification System** describes methods used around the nation to monitor neighborhood change and contains a recommended system suitable for use in Santa Clara County for monitoring neighborhood characteristics and for classifying areas according to their physical, social and economic conditions.

A separate but related report published by the Santa Clara County Planning Department, **Housing Rehabilitation - A Summary of Housing Rehabilitation Programs Funded by the Community Development Block Grant Programs in Santa Clara County**, published in January, 1978, describes the current neighborhood rehabilitation activities of the cities within the County. The rehabilitation programs are the primary neighborhood conservation actions now being implemented by the cities.

These reports are intended to generate public discussion on neighborhood conservation by elected officials and housing staffs of the cities and the County. Hopefully, the discussions will produce definitive actions by each city and the County which collectively will contribute to successful neighborhood conservation and stability efforts.



## NEIGHBORHOOD CONSERVATION STRATEGY

### The Problem

Neighborhood conservation is emerging as one of the major priorities of federal, state, and many local governments in the late 1970's. In addition to government interest in stabilizing and revitalizing neighborhoods, lending institutions, big and small business, private institutions and special interest groups have recognized the conservation problems and are beginning to respond to the demands for neighborhood conservation action expressed by citizens and community organizations. People now clearly realize that the housing that currently exists will make up the majority of the housing to be used in the future. It is also recognized that this housing must be maintained in a safe and sanitary condition in order to fulfill current and future housing needs. Therefore, elected officials, business persons, planners and community groups in all parts of the nation are working together in new partnerships to develop processes and programs to facilitate successful neighborhood conservation and revitalization.

Neighborhood conservation and revitalization, on the other hand, is a new and minor political concern in Santa Clara County. In contrast to situations in older east coast and midwestern cities, public officials in the County have not been forced to deal with neighborhood deterioration. Housing within the County is relatively new and in good condition. The affluence of the county residents has enabled most homeowners to adequately maintain their homes. Other housing issues over the years have been considered more timely and critical, receiving more publicity than neighborhood conservation. The good economy of the 1950's and 1960's, which was the major period of growth and prosperity for the County, brought forth issues which far overshadowed neighborhood stabilization or deterioration.

However, there is an emerging neighborhood conservation problem in Santa Clara County which demands immediate attention by public officials. Without a commitment of public and private resources to the maintenance of housing and the preservation of neighborhoods, the County will be faced with a major and perhaps unmanageable, deterioration problem in the near future. A significant amount of the County's housing is reaching an age where continued, ongoing maintenance is essential in order to prevent major costly repairs at a later date. Visible signs of deterioration are beginning to appear in many cities. Deferred maintenance has occurred in many older neighborhoods, while disinvestment has taken place in some older business districts.

In order to avoid the disastrous experiences of many older urban areas around the nation, the latent deterioration of housing must be dealt with in its early stages. Otherwise, if preventive and corrective actions are not instituted until major symptoms appear, it may be too costly or politically infeasible to revitalize a very deteriorated neighborhood.

A number of housing factors have been identified which indicate that neighborhood deterioration is a growing problem which should be of concern to city and county officials. These factors are described in the following sections.



## **Development History of Santa Clara County**

Santa Clara County was developed over a 100 year period with a great majority of its growth occurring since 1950. However, a significant amount of development occurred prior to 1950 and was of a type of construction much different than housing built in the 1950's and 1960's. The characteristics and problems of different development periods in the county vary considerably and should be recognized by neighborhood conservation planners.

Three basic factors which impact neighborhood condition indicate potential future deterioration problems in Santa Clara County. These are the age of housing, the quality of initial construction, and the amount of owner occupied housing as compared to absentee owned housing. The first two factors determine the basic structural condition of the house; the third factor traditionally influences levels of maintenance, with owner occupied housing usually being better maintained. Other factors, such as land use changes, housing costs and inflation, resident neighborhood composition, insurance rates and mortgage terms will influence decisions on the desirability and feasibility of the maintenance of property.

### **Age of Housing**

The age of housing is a basic factor which influences current condition. Although much of the housing within the county is relatively new, a significant amount of development occurred a number of years ago and now requires an increasing amount of maintenance. In 1900, approximately 13,500 dwelling units were located in Santa Clara County. By 1920, 11,000 additional units existed. Another 31,000 were added by 1940 and over 35,000 were added to the total housing stock between 1940 and 1950. Although a large percentage of this development has been well maintained, many housing units built during this time are in need of extensive repair or rehabilitation in order to satisfy current needs and prevent major deterioration in the future.

Housing constructed in different periods over the past 100 years require different types of repairs. The 19,500 units which were constructed prior to 1910 may now need extensive foundation and other structural repairs, including electrical, plumbing and heating system replacement; reconstructed roofs and chimneys; replacement of termite damaged and/or dryrotted wood; bath and kitchen renovation, and other repairs such as windows, porches and steps. A substantial portion of the older housing in the County was built without concrete foundations, causing structural failure when the ground shifts because of soil subsidence. Many of the houses constructed in downtown Los Gatos, Campbell and San Jose are of this age and are facing these problems. Resale of these homes is often difficult because banks are reluctant to lend money on homes with improper foundations.

Of the 17,500 units which are now between 50 and 70 years old (constructed between 1910 and 1930), many will require the above mentioned repairs, especially if ongoing maintenance and modernization has not occurred. The City of Mountain View has three rehabilitation areas with housing averaging approximately 60 years old. Over 26 units have been rehabilitated in those areas since 1976 with the assistance of their Community Development Block Grant (CDBG) loan program, with an average rehabilitation cost of \$11,000 per job.

The 54,500 housing units now between 30 and 50 years old (constructed between 1930 and 1950) may now need kitchen and bathroom improvements, heating system replacements, roofing repairs, electrical upgrading, and plumbing improvements as well as termite and dry rot damaged wood replacement. Up to 1946, no building code was in effect in the County. Housing construction varied according to the techniques of the builder. Areas such as Willow Glen in San Jose currently have minor code violations because of ongoing maintenance and modernization. Areas like Mayfair and Gardner in the San Jose rehabilitation areas are showing signs of deterioration. In the last three years these two areas have received 53 CDBG rehabilitation loans averaging almost \$20,000 per job.

Housing built between 1950 and 1960, totaling 108,000 units, may now be in need of moderate repairs. This figure represents a tremendous number of units which are now between 18 and 28 years old. Typical repairs that may be needed are the upgrading of electrical service, replacement of some plumbing and water heaters, repair of cracked foundations, repair or replacement of aluminum windows, and replacement of sewage lines which have been damaged by tree roots. Housing constructed during this time currently varies in levels of required maintenance. Areas such as Meadowfair in San Jose, where homes average only 20 years of age, are already in need of major repairs. From July 1975 to June 1977, 14 CDBG rehabilitation jobs were completed at an average cost of nearly \$12,000 per job (this figure includes non-housing code related items). In the Pepper-West Meadow rehabilitation area in Palo Alto, where homes average 25-30 years of age, units have been rehabilitated at an average cost of \$9,500.

Housing constructed after 1960 should only need minor regular maintenance at this time except in subdivisions which were initially poorly constructed.

### **Quality of Initial Construction**

A major factor which has a direct effect on current housing condition is the quality of initial construction. Housing of the same age can vary extensively in condition if the materials, construction techniques and workmanship vary in quality. From 1900 to 1930, construction techniques generally produced solid, durable houses. Although some housing components will need replacement now because of age, relatively few components, for the most part, will require replacement because of poor initial quality of materials or workmanship. On the other hand, much of the housing constructed in the 1950's and 1960's used materials that were not designed to last very long, and many now need replacement. In addition, the mass production of housing built in the 1950's and 1960's in some cases led to workmanship of poorer quality as compared to earlier constructed housing. Major repairs on housing and replacement of housing components is now often required on homes just 20-25 years old, whereas the same improvements formerly were necessary after 40-50 years.

For example, housing tracts such as Meadowfair, Tropicanna Village and Ann Darling Gardens in San Jose, which are all approximately 20 years old, currently experience moderate to extensive maintenance problems because of lower quality initial construction techniques and materials. Heating systems, windows, roofs and bathrooms now need extensive repair or replacement. In Meadowfair, initial estimates by housing inspectors to fix housing up to a level meeting minimum housing codes were \$3,500 per structure. However, the actual cost has been over \$8,000 per structure to meet code requirements and general improvements. Therefore, many houses only 20-30 years old within the County are experiencing the same problems as 40-50 years old houses because of cheaper



initial construction techniques. Between 1950 and 1960, 108,000 new dwelling units were constructed within the County and another 126,000 were built between 1960 and 1970. Many of these structures will require extensive repairs in the near future. This factor is especially significant in Santa Clara County because of the tremendously high number of tract housing which was built in the 1950's and 1960's. This housing is nearing the first major "repair and replacement" stage and if those repairs are not made by property owners now, the County will be faced with a large scale deterioration problem within the next few years. The large volume of housing units which will be in need of repairs, at roughly the same time, will require a major positive public and private response.

### **Owner-Occupied and Absentee Owned Housing**

A third factor which identifies a potential housing conservation problem in the County is the reduction in the percentage of persons owning their own home. Maintenance and home improvement activity is traditionally much higher by households who own and live in their own home, as compared to absentee owners.

By 1960, 69% of all dwelling units were owner-occupied, and 31% renter occupied. By 1970, these figures changed to 61% owner occupied and 39% renter-occupied. With the rapidly increasing cost of new and existing housing in the County, it is anticipated that this trend toward renter occupied houses will continue.

There is, additionally, an accompanying reduction in the percentage of single-family to multi-family units. This ratio was 82% single-family and 18% multi-family in 1940, and 68% to 32% in 1975, a substantial change. In coming years, this trend will most likely continue, requiring a greater and greater emphasis in the conservation of multi-family housing units.

### **Future Projections**

In the next ten to twenty years major changes may occur in the housing economy which will directly effect conservation decisions. Projections from the Santa Clara County Spatial Allocation Model (SAM) indicate there will be a total of 444,000 dwelling units in 1980 and 540,000 units in 1990. It is projected that there will be a continued drop in the percentage of total units that will be single-family. In 1980 the ratio is projected to be 66% single-family and 34% multi-family. In 1990 it is projected to drop to 62% single family and 38% multi-family. The middle class, and even upper middle class, will be effectively removed from new homeownership opportunities as inflation increases.

These statistics reveal some important considerations for neighborhood conservation planners. With fewer and fewer owner-occupied single-family dwellings as a percentage of total units, new and imaginative conservation schemes will be necessary to insure maintenance and preservation of the housing stock. As a result of the increase in rental units, local officials may be faced with a larger number of landlords who, for tax or speculation purposes, fail to adequately maintain their property. This problem will also necessitate an appropriate response from the public sector.

Furthermore, high cost increases in housing will bring on more and more cost saving and cost cutting techniques by home builders and developers. Although some new technologies may contribute to better quality homes and reduce initial costs, some techniques may

generate much higher long run maintenance costs. Local city and county officials must be prepared to deal with these problems.

By 1990, almost 200,000 units will be at least 30 years old, with over 50,000 of those over 50 years old. Without ongoing maintenance of Santa Clara County's housing stock in the next 20 years, the County will be faced with a major housing deterioration problem which will then require extensive rehabilitation and reconstruction of housing units. It is not inconceivable to expect problems of the nature common to such cities as St. Louis, Detroit, and Cleveland. If the critical housing shortage continues in the Bay Area, housing in Santa Clara County probably will not be abandoned - but many families would be forced to live in substandard and substantially deteriorated housing.

## **Neighborhood Factors**

Policies and programs directed at maintaining and improving housing units, however, will not by themselves be sufficient to solve the overall neighborhood deterioration problem. To insure a successful program, a conservation strategy must also address neighborhood factors which are closely associated with neighborhood deterioration and stability. The following section identifies seven neighborhood factors which should be dealt with in an overall conservation strategy. A general statement for each neighborhood factor is provided as a guide to public decision-making.

### **1. LAND USE**

**Governmental land use policies should be analyzed carefully to insure that they contribute to neighborhood improvement and stability and do not produce counter-productive side effects.**

Physical changes within a neighborhood make some areas less desirable for residents and investors because of mixed, conflicting land uses. Many commercial uses are disruptive to housing within neighborhoods and often contribute to declining maintenance of adjacent housing. City land development policies, as defined in the general plan and official zoning maps, often promote deterioration by encouraging land uses or housing densities that are inconsistent with current uses. The zoning then does not encourage retention of existing development but encourages speculation on future "higher value" uses. In addition, if the current zoning patterns and future land use maps in the general plan do not relate, the uncertainty of the future land use of the neighborhood can cause reduction in the level of housing maintenance.

### **2. PUBLIC NEIGHBORHOOD FACILITIES AND SERVICES**

**There should be a strong local effort to provide adequate public maintenance and services, and to avoid reductions in neighborhoods which are beginning to decline.**

As cities grow more areas compete for the limited funds available for street maintenance, street lighting, neighborhood services and community facilities. When city budgets are tight, less funds are expended for services in some neighborhoods. The provision of



services and the level of maintenance of public property and facilities has a direct impact on neighborhood stability. When it becomes obvious to property owners that the city is reducing services in a neighborhood, a gradual disinvestment of owner-occupied property occurs. Visible neglect of streets can sometimes produce direct impacts on the maintenance of adjacent housing.

### **3. ENVIRONMENTAL IMPACTS OF CHANGING NEIGHBORHOOD CONDITIONS**

**Land use and transportation decisions should be made in a manner that will minimize negative impacts upon neighborhoods.**

Changes in land use and transportation patterns often bring undesirable side effects into neighborhoods. Increased noise from traffic and parking lots, increased litter from commercial developments, increased air pollution from automobiles, and increased congestion within neighborhoods are just a few examples of activities causing a negative impact on neighborhood stability and desirability. Planners must realize the indirect impacts of land use and transportation changes and minimize disruptive forces in neighborhoods.

### **4.. GOVERNMENT STANDARDS AND PROCEDURES**

**Local governmental rules, regulations, and operating procedures should be carefully analyzed to insure consistency with neighborhood conservation goals.**

The standards and procedures of local government can have a significant impact on housing and neighborhood condition. For example, the criteria by which a city inspects new and existing housing can directly affect the level of housing quality. The building, housing, and rehabilitation codes of the city are the official legal minimum requirements for housing. The level of enforcement of these codes will help determine short and long term housing conditions within a community. If a city has a process for the ongoing inspection of housing to determine code violations, major deficiencies can be reduced. It may be important, however, to directly tie in the inspection program with a loan and grant program to assist those persons who could not afford to make the necessary repairs. Without such assistance, many persons might be displaced from the neighborhood.

Another example would be the policies of the tax assessor. Uncertainty about assessment procedures might contribute to the fear of higher property taxes, thereby discouraging home maintenance or rehabilitation.

### **5. SCHOOL CLOSURES**

**City officials should work closely with school officials and citizen groups to minimize negative neighborhood impacts from school closures or reduced school services.**

In recent years a great number of schools have closed in the County, especially in the cities which are approaching full development within their boundaries. There are a number of reasons for this recent trend. A reduction in the birthrate, a lower person-per-household figure, and a tremendous increase in the cost of single-family housing in many parts of the county which have forced families to find shelter in other areas are all factors which have contributed to the closing of schools. Young families have been forced, because of the prohibitive cost of housing, to either rent housing or move to areas a great distance from their employment. Oftentimes these new areas have had to build new schools, while schools were closing in older neighborhoods.

The closure of schools reduces the attractiveness and cohesion of a neighborhood, and reduces the drawing power of families to the neighborhood.

## **6. IMPACTS OF THE PRIVATE SECTOR**

**City officials and staff should work closely with the private sector to encourage cooperative relationships which will result in decisions which contribute to neighborhood stability.**

Daily decisions by banks, savings and loan associations, insurance companies, real estate agents and private investors have very significant impacts on neighborhoods. Attempts to stabilize changing neighborhoods will be unsuccessful if no attempts are made to work with the private sector and influence their daily decisions. Mortgage terms, down payments requirements and insurance rates are major forces affecting neighborhoods. Cities must be aware of the changes in these factors when contemplating conservation actions. Additionally, working with real estate agents and investors can produce positive results in attracting new residents and maintaining neighborhoods.

## **7. ATTITUDES, PERCEPTIONS, VALUES, DESIRES, AND FEARS OF NEIGHBORHOOD RESIDENTS**

**Cities should help create positive images of their neighborhoods by publicizing positive aspects of a neighborhood, properly maintaining public lands and facilities, and providing adequate public services.**

Residents living within a neighborhood and persons looking for a new home have certain attitudes, perceptions, desires and fears about neighborhoods. The image of a neighborhood often is one of the most important factors in determining residence. The reputation of an area, which is not necessarily based on fact, can influence investment potential and levels of housing maintenance. Current resident attitudes about their neighborhood will influence the degree to which they maintain their homes. Different values and desires of residents will also influence levels of maintenance. If a negative image is created in the minds of residents, deterioration will increase. Once deterioration increases, the overall image of the neighborhood will decline, making it difficult to attract new residents who will properly maintain their property. Cities must attempt to help create positive images of their neighborhoods if conservation actions are to be successful.



## Preventive Maintenance

To the casual observer of housing in Santa Clara County, it would not be apparent that neighborhood conservation demands immediate and critical attention. The housing looks good and, for the most part, appears to receive a high level of maintenance. However, upon more careful analysis, significant problems become visible. If we are to avoid and prevent major problems in the not-too-distant future, the County and cities should jointly engage in a "preventive maintenance" strategy for housing and neighborhoods.

Housing, and the cost of maintaining housing, is becoming more and more expensive. In the past, owning and maintaining a home was financially attainable for 60% to 80% of the county's population. In recent years, the percent of homeownership has decreased, partly because of the high cost of for-sale housing. Families who had spent 20% to 25% of their income for housing now find that 30% to 40% of their income is directed to housing related expenses. Families purchasing housing today are spending most of their funds on mortgage payments and often have little remaining funds for maintenance. Additionally, the cost of maintenance itself has gone up appreciably with labor and material costs rising almost daily.

It is clear, however, that the residents of Santa Clara County will have to rely on existing housing for the great majority of their future housing needs - and the bulk of this housing is approaching 20 to 30 years old. Proper ongoing maintenance will become more and more important during the next decade.

## Current City Policies, Pland and Programs for Neighborhood Conservation

Cities have a wide variety of responsibilities which influence the condition of housing and neighborhoods. City staffs monitor housing and neighborhood conditions; administer policies and procedures relating to housing; enforce legal housing codes to protect residents from hazardous housing; and administer regulatory measures such as zoning which impact development within neighborhoods. In Santa Clara County, cities are involved in neighborhood conservation to the following extent:

1. **Monitoring Neighborhood Conditions.** Most cities conduct exterior "windshield" housing condition surveys for proposed rehabilitation areas; however few cities have set up ongoing procedures for detecting neighborhood change. Several cities have prepared neighborhood profiles based on 1970 or 1975 census information. There are no examples where socio-economic change is monitored in detail on an ongoing basis, and very few cities collect and analyze housing statistics regularly. Appendix 1 summarizes current neighborhood and housing conditions monitoring techniques of the cities within Santa Clara County.
2. **Current Conservation Programs.** Each city in the County, with the exception of Los Altos, Los Altos Hills, and Monte Sereno, have rehabilitation programs funded by Community Development Block Grants. These programs make loans available in designated "rehabilitation areas" in the community. In 1978 almost 18,000 dwelling units, or about 4% of the total County housing units, were located in CDBG rehabilitated areas.

San Jose makes additional rehabilitation loan options available to certain residents through participation in the California Housing Finance Agency's

Neighborhood Preservation Program (NPP). San Jose is also currently developing a Marks-Foran housing rehabilitation program for future use within the city.

A Housing Service Center, which provides counseling and housing information to homeowners and tenants, has also been funded by the city of San Jose. The Center deals with housing discrimination, tenant-landlord conflicts, legal and financial problems and home repair assistance. The Center also distributes information on rehabilitation resources available to residents in the city.

There are a few special conservation related programs currently being used in the county. Mountain View has an Occupancy Permit System which requires the inspection of all multi-family complexes over four units every five years. Single-family units are not presently included in the system. San Jose inspects all apartment complexes over three units on an annual basis.

The City of Santa Clara utilizes six CETA employees to do minor repairs on structures. They will do necessary minor carpentry and cosmetic improvements, while major work is done by contractors. The city of San Jose staff has twice attempted to get council approval of a pre-sale inspection of non-owner occupied housing. However, pressure from the real estate industry and other concerns have prevented approval of this proposal in the past.

3. **Current Policies Which Affect Neighborhood Condition.** There are no examples of cities who have undertaken a comprehensive analysis of zoning patterns to determine if current zoning encourages speculation or decreases housing maintenance. San Jose, on a case-by-case basis, will roll back zoning to match the existing density of development if the zoning change is warranted to conform to the general plan.

Currently no city in the County has a citywide code enforcement program in effect. San Jose has mandatory code enforcement in one rehabilitation area and Sunnyvale has it in three rehabilitation areas. Except on an individual complaint basis, no city has a system of ongoing inspection of residential property or a process for insuring that code violations are corrected.

With the exception of servicing Community Development Block Grant loans, the cities have had little direct contact with lending institutions, insurance companies or real estate agents to create working relationships which will help produce more positive impacts on neighborhoods. San Jose has worked with the Bank of America in its Special Lending Areas programs and with the California Federal Savings and Loan on methods to assist owner occupants in home improvement projects.

### **The Need for a More Comprehensive Approach**

Cities throughout the nation are presently using different tools and mechanisms to prevent deterioration from occurring and to deal with neighborhood decline once it takes place. Some areas have established comprehensive strategies which are being implemented. In Santa Clara County neighborhood conservation has not been an active priority in the past; therefore very few related policies and programs have been established by the cities and



the County. Because housing is still relatively young in the County, and neighborhoods generally provide pleasant living environments, now is the time to take appropriate action to insure that a high level of quality is maintained in the future. Current efforts must be expanded in order to prevent areas from deteriorating into a state which would eventually require costly remedial programs.

### **Establishing a Local Strategy**

In order to develop a comprehensive strategy in a city, **there must be a solid commitment by the City Council, Planning Commission and staff for the development of a comprehensive neighborhood conservation strategy. There must also be a commitment to implement the needed actions once the design of a strategy has been completed.** This would include the adoption of specific policies, the institution of specific governmental procedures, and the establishment of various programs addressing neighborhood conservation.

As a tool to assist decision-makers in designing a local strategy, a **Neighborhood Conservation Resource Matrix** has been prepared and included in this report. The matrix lists all the resources which have been described in detail in **Neighborhood Conservation Resources Handbook** and links them to the neighborhood types described in **Neighborhood Classification System**. The matrix also provides additional information condensed from the first report. Each resource is rated as to its usefulness in large cities (over 50,000 population), small cities and rural areas. The primary roles of groups or agencies in establishing the resource are also listed as well as the estimated complexity in setting up each action. The matrix will help city councils, planning commissions and staffs develop their own conservation strategy. Once commitments have been made to develop and implement a strategy, a city council must direct its staff to develop a specific course of action which will result in a final recommended neighborhood conservation strategy and a schedule for implementing it. The general process which can be followed includes:

1. Analysis and discussion of the resources contain in **Neighborhood Conservation Resources Handbook** in order to become familiar with the options available to the city.
2. Monitoring of neighborhood conditions as outlined in **Neighborhood Classification System** in order to determine which resources should be used in different types of neighborhoods in the city. The recommended neighborhood monitoring process is composed of two major steps with the initial census tract analysis performed by the county and the neighborhood level analysis performed by the city.
3. The establishment of a better public information system to distribute pertinent information to citizens, community organizations, special interest groups and business associations. This includes working with newspapers to educate the public on maintenance techniques, available financial assistance, counseling, tax incentives and other related items.
4. Preparation of appropriate written material to assist property owners and tenants in maintaining their property.

5. The development of a mailing system to distribute pertinent conservation related information. This information could be inexpensively included with local mailings such as a city utility bill, tax bills, bank statements, or through other measures.
6. The establishment of a good working relationship with persons and organizations who have a direct impact on neighborhoods. These include citizen's groups, business organizations, lending institutions, insurance companies, real estate firms and local institutions such as school.
7. Once neighborhood analysis has been completed and the available resources have been reviewed, the city staff must then determine the combination of resources to be used in each neighborhood classification within the city. The Neighborhood Conservation Resource Matrix will assist in the selection of appropriate resources for each area.
8. City policies affecting neighborhood conservation should then be revised or developed. These policies should set forth official directions the city will pursue in its attempt to maintain neighborhoods.
9. Procedures of the city should then be revised to facilitate housing and neighborhood conservation. This will include permit processing and fees, inspection processes and enforcement processes.
10. Once resources have been selected and linked to appropriate neighborhoods for eventual implementation, priorities must be established by neighborhoods for implementation based on the amount of local financial resources available for carrying out the selected actions.
11. Upon completion of the previous steps, the selected programs, policies and procedures should be implemented in a systematic, comprehensive manner. Timing is an important variable which must be considered when implementation activities begin. Prompt attention must be given to publicity and communication with citizen and business groups.

## **Final Observation**

Elected officials have the responsibility to make decisions which contribute to the health and well being of the community. Often these decisions are controversial and it becomes politically expedient to reduce public discussions on subjects which will generate heated debate in the community. Detroit, Cleveland, and St. Louis are examples of cities which did not institute measures which could have helped prevent neighborhood deterioration when the neighborhoods were sound and prosperous. These same neighborhoods are now severely deteriorated or abandoned. Basic programs such as pre-sale inspection of housing or an occupancy permit system, sensitive code enforcement combined with loan and grant opportunities, and technical assistance in housing maintenance can be instrumental in preventing areas from deteriorating. These programs, however, must be implemented when the housing is in sound condition and the neighborhoods are attractive, desirable places in which to live.



Local officials in Santa Clara County should take the initiative now to head off emerging neighborhood deterioration problems before they become unmanageable. Through the development and implementation of a comprehensive neighborhood conservation strategy by our cities, Santa Clara County will continue to be one of the most attractive places to live in the nation.

## **APPENDIX 1 - NEIGHBORHOOD CONDITIONS MONITORING TECHNIQUES USED BY CITIES WITHIN SANTA CLARA COUNTY**

Note: All cities have a local Housing Element of the General Plan. Some contain extensive housing data; others are more brief in their presentation of housing conditions statistics. The information on neighborhood conditions monitoring techniques was obtained primarily from adopted Housing Assistance plans of the cities participating in the Housing and Community Development (HCD) Program.\*

### **CAMPBELL**

1. Windshield survey of exterior housing conditions throughout the city's sphere of influence area - 1975.
2. Field survey of possible rehabilitation areas - 1976.
3. Neighborhood Profiles Report  
**Housing Needs Assessment**  
Ruth & Goings, Norton S. Curtis Inc. - 1976.

### **CUPERTINO**

1. Windshield survey of exterior housing conditions in low resident income areas - 1975.
2. Monthly Building Department statistics on construction permits, conversions, etc.

### **GILROY**

1. Windshield survey of exterior housing conditions in potential rehabilitation target areas - 1974, 1975, 1977.
2. Door-to-door survey of exterior housing conditions in existing rehabilitation target areas - 1976.
3. Random inspection of vacated multi-family dwellings.
4. Housing vacancy survey - 1977.

### **LOS GATOS**

1. Door-to-door survey of exterior housing conditions of all pre-1950 neighborhoods - 1975.

### **MILPITAS**

1. Windshield survey of exterior housing conditions in potential rehabilitation areas - 1975.



## **MORGAN HILL**

1. Windshield survey of exterior housing conditions in potential rehabilitation areas - 1975.
2. Monthly Building Department statistics on construction permits, conversions, etc.

## **MOUNTAIN VIEW**

1. Windshield survey of exterior housing conditions - 1975.
2. Housing condition questionnaire survey - 1975.
3. Data from ongoing multi-family Occupancy Permit System.
4. Detailed small area plans for three areas with housing condition information.

## **PALO ALTO**

1. Windshield survey of exterior housing conditions in prospective rehabilitation areas - 1975.
2. Housing vacancy survey twice a year.
3. **Community Profiles**  
Human Services Planning Project Team  
Department of Social and Community Services - January, 1978

## **SARATOGA**

1. Annual windshield survey of exterior housing conditions in potential rehabilitation areas - 1975, 1976, 1977.
2. **Social Needs Assessment**  
Social Needs Assessment Task Force - 1975.
3. **Senior Citizens Housing Needs Analysis**  
Senior Citizens Housing Task Force - 1977.

## **SAN JOSE**

1. Windshield survey of exterior housing conditions in potential rehabilitation areas - 1975.
2. **Neighborhood Profiles**  
Department of Property and Code Enforcement Housing Division - 1977.

## **SANTA CLARA**

1. Windshield survey of exterior housing conditions in areas of highest concentrations of low and moderate income families - 1975.
2. **Neighborhood Profiles**  
Community Department Division - 1974, Revised 1978.

## **SUNNYVALE**

1. **Neighborhood Profiles**  
City of Sunnyvale, 1977.
2. Fire Marshall survey of external housing conditions for fire code and safety violations (including major housing code violations).

## **SANTA CLARA COUNTY**

1. 1975 Special Census
2. Redlining data
3. Research section monthly reports on housing

\* The cities of Los Altos, Los Altos Hills, and Monte Sereno do not participate in the HCD program.









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PLANNING DEPARTMENT, 70 WEST HEDDING STREET, SAN JOSE, CALIFORNIA, 95110, (408)299-2521

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## PART 2 OF 2

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NEIGHBORHOOD CONSERVATION RESOURCES		NEIGHBORHOOD APPLICATION OF RESOURCES					GEOGRAPHIC APPLICATION OF RESOURCES			PRIMARY ROLES IN ESTABLISHING RESOURCE								COMPLEXITY IN ESTABLISHING RESOURCE			
Refer to <u>Neighborhood Conservation Resources Handbook</u> for detailed resource descriptions, requirements, and characteristics.		<div><div>■</div>Area of highest applicability</div> <div><div>□</div>Area of moderate applicability</div> <div><div>△</div>Applicable in neighborhood with special conditions</div> <div>Little or no applicability</div> <div>Refer to Neighborhood Classification System Report for detailed neighborhood description</div>					<div><div>■</div>Legally permissible and most practical</div> <div><div>□</div>Legally permissible and moderately practical</div> <div>Not legally permissible or little or no practicality</div> <div>Large city - contains a population over 50,000</div> <div>Small City - contains a population under 50,000</div> <div>Rural Area - unincorporated county areas, cities under 10,000 population, and cities under 20,000 population in non-SMSA areas</div>			<div><div>●</div>Overall resource creator</div> <div><div>■</div>Major local responsibility in establishment of resource</div> <div><div>□</div>Minor local responsibility in establishment of resource</div> <div>No primary role in establishment of resource</div> <div>Matrix illustrates all actors who are eligible to participate.</div> <div>All designated actors are not necessarily needed to establish the resource.</div>								Estimated level of complexity in establishing resource, recognizing all anticipated problems.			
NEIGHBORHOOD CONSERVATION RESOURCE		Resource Applicable in Neighborhood Conservation Area					Resource Applicable in			Primary Roles								Estimated Degree of Complexity			
		Found in Santa Clara County			Not Found in Santa Clara County		Urban Area		Rural Area	Federal	State	County	Large City	Small City	County and City	Private Sector	Non-Profit Organizations Community Groups Citizens	Minor	Moderate	Significant	Extensive
Resource Description		A	B	C	D	E	Large City	Small City													
DEPARTMENT OF COMMERCE ECONOMIC DEVELOPMENT ADMINISTRATION (EDA)																					
PUBLIC WORKS AND DEVELOPMENTAL FACILITIES. . . . . III-57 Funding for public works and development facilities in EDA designated areas.		□	■	■	■	■	■	■	□	●	■	■	■	■	■		■		■		
TITLE III PLANNING GRANTS. . . . . III-59 Grants for initiating planning and programming economic development activities.							■	■	□	●	■	■	■	■	■		■		■		
BUSINESS DEVELOPMENT ASSISTANCE. . . . . III-59 Direct loans for business development projects in designated EDA areas.		□	■	■	■	■	■	■	□	●	■	■	■	■	■	■	■		■		
TITLE IX - ECONOMIC DEVELOPMENT AND ADJUSTMENT ASSISTANCE. . . . . III-60 Aid available to local areas threatened by changing economic conditions.		△	△	△	△	△	■	■	□	●	■	■	■	■	■				■		
TECHNICAL ASSISTANCE. . . . . III-60 Provides technical assistance to applicant or a grant to carry out approved program.							■	■	■	●	■	■	■	■	■		■		■		
SMALL BUSINESS ASSOCIATION (SBA)																					
SECTION 502 - LOCAL DEVELOPMENT COMPANY PROGRAM . . . . . III-62 Loans and loan guarantees are available to a local development company.					■	■	■	■	■	●			□	□		■	■		■		
OTHER SBA PROGRAMS . . . . . III-64 Loan Guarantee Plan, Direct Participation Loan Plan, Economic Opportunity Program, Displaced Business loan fund, and handicapped Assistance loan program.		△	△	△	△	△	■	■	■	●						■	■		■		
DEPARTMENT OF THE TREASURY																					
GENERAL REVENUE SHARING . . . . . III-66 Federal funds available by formula allotment to cities with restrictions for their use.		■	■	■	■	■	■	■	■	●	■	■	■	■				■			
SECTION 167 (K) DEPRECIATION - INTERNAL REVENUE SERVICE. . . . . III-67 Permits favorable depreciation of expenditures to rehabilitate low income rental housing.			□	■	■	■	■	■	■	●						■	■		■		
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE																					
ASSISTANCE FOR PHYSICAL FACILITIES . . . . . III-68 Funds for building conversion to maintain or rehabilitate existing structures.		△	△	△	△	△	■	■	■	●	■								■		
DEPARTMENT OF LABOR																					
MANPOWER SERVICES (CETA & PSE) . . . . . III-69 Funds for training the unemployed and disadvantaged.		△	△	△	△	△	■	■	■	●	■	■	■	■		■	■		■		
GENERAL SERVICES ADMINISTRATION																					
PUBLIC BUILDING TRANSFER . . . . . III-69 Transfer of unneeded federal properties free of charge to local governments.		△	△	△	△	△	■	■	■	●	■	■	■	■					■		
DEPARTMENT OF TRANSPORTATION - URBAN MASS TRANSPORTATION ADMINISTRATION																					
CAPITAL IMPROVEMENT PROGRAM . . . . . III-70 Grants and loans to assist in financing improvements or historic restoration of mass transit facilities.		△	△	△	△	△	■	■	■	●	■	■	■	■					■		
VETERAN'S ADMINISTRATION																					
LOAN INSURANCE AND GUARANTEE PROGRAM. . . . . III-70 Insurance for Loans to GI's for home purchase or improvement.		△	△	△	△	△	■	■	■	●							■		■		
LOCAL RESOURCES																					
LEVERAGING CDBG FUNDS . . . . . IV-2 A method for increasing public funds used in rehabilitation projects.							■	■	■			■	■	■	■	■			■		
TARGETING CAPITAL IMPROVEMENTS. . . . . IV-6 Concentration of public improvements in designated areas to stimulate private investment.			■	■	□		■	■	■			■	■	■					■		
TAX INCREMENT FINANCING . . . . . IV-8 Increment of assessed valuation of a redevelopment area to pay off project indebtedness.			□	■	■	■	■	■	■			■	■	■						■	
HOUSING COURTS . . . . . IV-11 Special courts instituted to reduce delay in hearing housing code violation cases.							■	■	□			■	■	■	□				■		
ANALYSIS OF ZONING TO PROMOTE CONSERVATION . . . . . IV-13 Analysis of existing zoning patterns to insure consistency with conservation policies.		■	■	■	□		■	■	■			■	■	■					■		
SWEAT EQUITY HOMESTEADING. . . . . IV-16 Residents rehabilitate housing in distressed urban neighborhoods.				□	■	■	■	■	■			□	□	□			■			■	
HOUSING SERVICE AND INFORMATION CENTERS . . . . . IV-19 Centers which provide information and assistance to tenants, landlords, and homeowners.		□	□	■	■	■	■	■	■			■	■	■			■		■		
CODE ENFORCEMENT. . . . . IV-21 Description of the voluntary or mandatory components of a systematic code enforcement program.		□	■	■	□		■	■	■			■	■	■					■		
HOME TOOL LOAN CENTER . . . . . IV-23 Agency loans tools for self-help rehabilitation and maintenance.				■	■	■	■	■	■			■	■	■			■		■		
HOME MAINTENANCE PROGRAM . . . . . IV-23 Education program for home repair.			□	■	■	■	■	■	■			■	■	■	■		■		■		
ADOPT-A-HOUSE . . . . . IV-23 Rehabilitation assistance to poor and elderly by university students.		□	■	■	■	■	■	■	■								■		■		
EMERGENCY REPAIR . . . . . IV-23 Loan and grant assistance for emergency repairs of housing.			□	■	■	■	■	■	■			■	■	■			■		■		
PRIVATE RESOURCES																					
NATIONAL TRUST FOR HISTORIC PRESERVATION . . . . . V-2 Provides numerous services to groups and localities engaged in historic preservation.							■	■	■		■	■	■	■		●	■		■		
THE PHILADELPHIA MORTGAGE PLAN (PMP). . . . . V-5 A private effort by lenders in Philadelphia to combat disinvestment in older neighborhoods.			□	■	■		■	■									■		■		
COMMUNITY DEVELOPMENT CORPORATIONS (CDC's) . . . . . V-7 A mechanism to build, rehabilitate, or manage housing.			□	■	■	■	■	■	□								■	■		■	
SAN FRANCISCO HOUSING CONSERVATION INSTITUTE. . . . . V-11 A non-profit corporation's housing and commercial rehabilitation project.			□	■			■					□				■			■		
PRIVATE LENDING INSTITUTIONS REHABILITATION LOAN PROGRAMS . . . . . V-13 Bank programs offering different rehabilitation loan options to cities.			□	■	□		■	■	□			□	□	□	□	●			■		
NEIGHBORHOOD CONSERVATION AND CONSUMER PROTECTION PROVISIONS																					
TRUTH-IN-SALE OF HOUSING LAWS . . . . . VI-2 Ordinance which requires the disclosure of certain information upon the transfer of real property.		□	■	■	□	□	■	■	■		■	■	■	□					■		
PRESALE HAZARDS INSPECTION PROGRAM . . . . . VI-5 Ordinance which requires a safety hazard inspection by the city prior to the sale or transfer of property.		□	□	■	■	■	■	■	■			■	■	■	□				■		
OCCUPANCY PERMITS . . . . . VI-7 Ordinance which provides for the inspection of dwellings when there is a change in occupancy.		□	■	■	□	□	■	■	■			■	■	■	□					■	
PRIVATE REAL ESTATE INSPECTION SERVICES . . . . . VI-10 Private service which inspects resale homes and buildings at the time of sale.		■	■	■	■	■	■	■	■							●	■		■		
RENT WITHHOLDING . . . . . VI-12 Tenants may withhold rent if code related repairs are not made.			□	■	■	■	■	■	■			□	□				■		■		
HOME WARRANTY PROGRAM . . . . . VI-15 Private protection to home buyers from housing defects causing major unforeseen expenses.		□	□	■	■	■	■	■	■							●	■		■		
LANDLORD SECURITY DEPOSIT . . . . . VI-17 Ordinance requires landlords to deposit money in a bank to be used to repair rental units.		□	□	■	■	■	■	■	■				■	■			■		■		



